

# Butte County Economic Forecast

Butte County is located in Northern California. The county borders Tehama, Glenn, Colusa, Sutter, Yuba, and Plumas Counties. Butte County has a population of 214,120 people and 74,240 wage and salary jobs. The per capita income in Butte County is \$24,620, and the average salary per worker is \$31,540. The median family income in 2005 was \$48,200.

In 2004, 1,050 total wage and salary jobs were lost in Butte County, representing a decline in employment of 1.4 percent. The non-farm sector lost 1,058 jobs, which represents a decline in non-farm employment of 1.5 percent. The unemployment rate declined, however, to 7.2 percent in 2004.

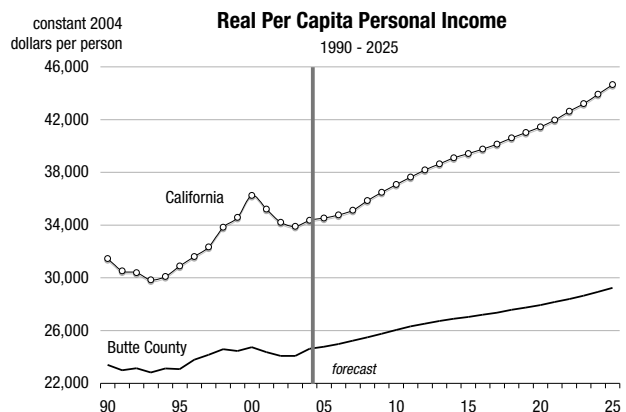
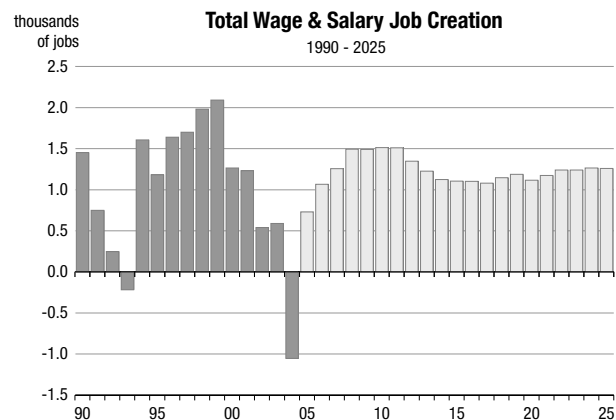
The principal sectors that are producing jobs in Butte County are wholesale trade, education and healthcare services, and construction. Each of these sectors created 115 or more jobs last year. The construction sector created the most new jobs in 2004, adding 360 jobs. Employment in government, professional services, financial activities, retail trade, and transportation and utilities declined significantly last year. Each of these sectors lost 100 or more jobs in 2004. The public sector lost the most jobs, with employment declining by 875 jobs. The largest sectors in the county are government, retail trade, and education and healthcare services.

The population grew in Butte County at a rate of 0.9 percent in 2004. The fastest growing city in the county is Chico, which grew 3.4 percent between January 2004 and January 2005. Chico is also the largest city in the county, with a total population of 73,560 residents. Net migration was positive last year, with an estimated total of 1,775 migrants entering the county.

Employment growth is expected to turn positive over the forecast, and the growth will be attributable to job gains in the non-farm sector. Population growth will be positive, but is expected to remain modest over the next several years.

## Forecast Highlights

- Non-farm job growth is forecast to turn positive in 2005, with non-farm employment increasing 1.1 percent. Job growth is expected to continue to rise over the next five years, and will average 1.8 percent per year over that time period.
- Average salaries adjusted for inflation are currently well below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.3 percent per year over the next 5 years.
- Between 2005 and 2010, the momentum for employment growth is in professional services, education and healthcare services, and government. These sectors account for over 60 percent of all jobs created in the county over the next five years.

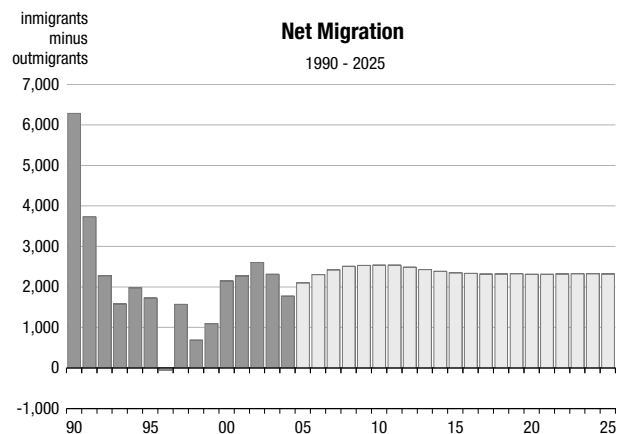
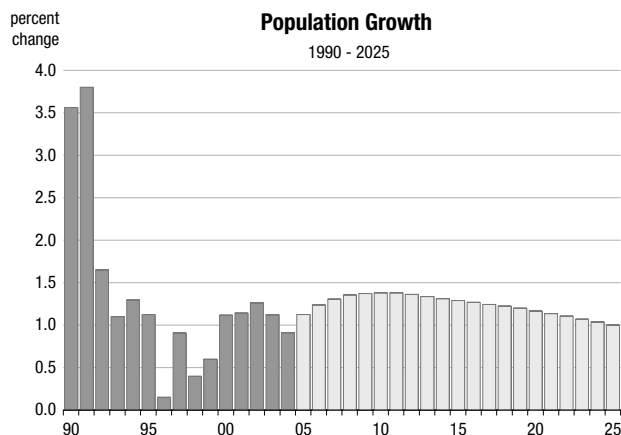


- The population in the county will continue to grow, but at a slower rate than the state average. Annual growth in the 2005 to 2010 period averages 1.3 percent per year. Average growth in the state during this same period is 1.5 percent per year.
- Net migration will rise to an estimated 2,100 people in 2005. Over the next five years net migration is expected to increase to an average of 2,460 net migrants entering the county per year.
- Real per capita income is forecast to increase 0.6 percent in 2005. Over the next five years real per capita incomes are expected to increase an average of 1.0 percent per year.
- Industrial production is forecast to increase 0.8 percent in 2005. Over the next five years the growth rate of industrial production will increase, with total production rising 3.9 percent per year. Total crop production, adjusted for inflation, is expected to decline an average of 2.2 percent per year between 2005 and 2010.

# Butte County Economic Forecast

## 1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	197,500	1,728	182.6	78.7	656	\$1.5	\$3.5	\$23,077	2.0	341.4	0.58	10.0
1996	197,800	-51	183.7	79.4	592	\$1.6	\$3.7	\$23,783	2.3	362.8	0.58	9.1
1997	199,600	1,572	175.1	80.1	591	\$1.7	\$3.9	\$24,163	3.4	378.8	0.66	8.7
1998	200,400	684	184.4	80.7	910	\$1.7	\$4.1	\$24,575	3.2	256.2	0.71	8.4
1999	201,600	1,096	189.8	81.6	960	\$1.9	\$4.3	\$24,440	4.2	301.7	0.72	6.8
2000	203,855	2,149	196.8	79.6	1,078	\$2.0	\$4.6	\$24,735	4.5	321.4	0.77	6.2
2001	206,185	2,273	205.9	80.3	1,044	\$2.1	\$4.8	\$24,361	5.4	266.6	0.64	6.5
2002	208,791	2,605	209.9	81.4	1,185	\$2.2	\$4.9	\$24,072	1.6	314.7	0.62	7.3
2003	211,140	2,314	210.0	82.5	1,825	\$2.3	\$5.0	\$24,075	1.8	349.4	0.68	7.4
2004	213,065	1,775	222.8	83.8	1,968	\$2.6	\$5.2	\$24,621	1.2	392.6	0.66	7.2
2005	215,466	2,104	232.7	85.8	1,626	\$2.8	\$5.5	\$24,765	1.7	380.1	0.66	6.6
2006	218,138	2,308	240.3	87.4	1,449	\$3.0	\$5.7	\$24,979	2.7	377.3	0.68	6.3
2007	220,991	2,424	246.4	88.9	1,291	\$3.2	\$6.0	\$25,233	2.6	361.9	0.71	6.1
2008	223,988	2,509	251.4	90.1	1,216	\$3.3	\$6.3	\$25,486	2.6	369.6	0.74	5.9
2009	227,068	2,534	255.6	91.4	1,232	\$3.5	\$6.6	\$25,753	2.5	350.4	0.77	5.8
2010	230,205	2,541	259.2	92.6	1,244	\$3.7	\$7.0	\$26,034	2.7	338.8	0.80	5.7
2011	233,388	2,536	262.4	93.8	1,159	\$3.9	\$7.3	\$26,317	2.7	342.7	0.83	5.7
2012	236,570	2,487	265.0	95.0	1,135	\$4.1	\$7.7	\$26,523	2.8	335.0	0.86	5.7
2013	239,739	2,434	267.2	96.1	1,107	\$4.3	\$8.1	\$26,720	2.9	323.5	0.89	5.8
2014	242,886	2,384	269.1	97.2	1,082	\$4.5	\$8.5	\$26,896	2.9	319.6	0.92	5.9
2015	246,022	2,354	270.7	98.2	1,061	\$4.7	\$8.9	\$27,024	3.1	323.5	0.94	6.0
2016	249,146	2,335	272.2	99.3	1,038	\$4.9	\$9.4	\$27,196	3.0	319.6	0.97	6.0
2017	252,248	2,316	273.7	100.3	1,018	\$5.1	\$9.8	\$27,349	2.9	311.9	1.00	6.1
2018	255,338	2,322	275.2	101.3	1,007	\$5.3	\$10.3	\$27,569	2.7	315.8	1.04	6.0
2019	258,408	2,328	276.7	102.3	1,001	\$5.6	\$10.7	\$27,749	2.8	319.6	1.07	6.0
2020	261,428	2,313	278.1	103.3	996	\$5.8	\$11.2	\$27,928	2.7	323.5	1.10	6.0
2021	264,405	2,314	279.6	104.3	985	\$6.1	\$11.8	\$28,164	2.6	315.8	1.13	6.0
2022	267,335	2,325	281.1	105.3	976	\$6.3	\$12.3	\$28,389	2.6	311.9	1.17	6.0
2023	270,204	2,328	282.7	106.2	970	\$6.6	\$12.9	\$28,638	2.7	308.1	1.20	5.9
2024	273,012	2,329	284.3	107.2	958	\$6.9	\$13.5	\$28,928	2.7	315.8	1.24	5.9
2025	275,751	2,323	285.9	108.2	950	\$7.2	\$14.2	\$29,239	2.7	311.9	1.27	5.9



# Butte County Employment Forecast

## 1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1995	64.2	2.92	2.22	4.42	1.98	10.5	3.07	4.5	1.33	10.5	6.48	13.6
1996	65.9	2.96	2.38	4.43	1.94	10.9	3.10	4.8	1.30	10.2	6.99	14.0
1997	67.6	3.10	2.28	4.88	2.14	11.2	3.03	5.3	1.34	10.7	6.62	14.0
1998	69.6	3.03	2.47	5.08	2.24	11.0	3.07	5.9	1.33	10.7	6.53	14.6
1999	71.7	3.10	2.78	4.92	2.18	11.3	3.37	6.2	1.39	10.8	6.75	15.1
2000	72.9	3.04	2.71	5.13	1.98	11.2	3.55	6.3	1.38	10.9	7.20	16.3
2001	74.2	2.72	2.93	4.48	2.12	11.5	3.86	6.4	1.40	11.3	7.25	16.6
2002	74.7	2.50	3.09	3.94	2.18	11.9	4.22	6.2	1.30	11.7	7.05	16.9
2003	75.3	2.61	3.42	4.03	2.19	12.0	4.32	5.6	1.38	12.2	6.88	17.0
2004	74.2	2.62	3.78	3.98	1.83	12.0	4.11	5.5	1.43	12.3	6.87	16.1
2005	75.0	2.60	3.90	3.92	1.85	12.1	4.24	5.7	1.43	12.5	6.87	16.0
2006	76.0	2.58	3.98	3.97	1.86	12.2	4.34	5.9	1.43	12.6	6.88	16.3
2007	77.3	2.53	4.05	3.99	1.89	12.4	4.38	6.2	1.44	12.9	6.88	16.6
2008	78.8	2.51	4.13	3.99	1.93	12.5	4.41	6.6	1.46	13.2	6.88	16.8
2009	80.3	2.46	4.19	4.01	1.97	12.8	4.49	6.9	1.47	13.5	6.89	17.1
2010	81.8	2.39	4.26	4.01	2.00	13.0	4.59	7.3	1.49	13.8	6.89	17.3
2011	83.3	2.35	4.32	4.05	2.03	13.2	4.68	7.6	1.50	14.1	6.89	17.5
2012	84.7	2.31	4.34	4.04	2.06	13.4	4.79	8.0	1.51	14.4	6.89	17.8
2013	85.9	2.25	4.35	4.03	2.09	13.6	4.89	8.3	1.52	14.7	6.89	18.0
2014	87.0	2.20	4.35	3.98	2.12	13.9	4.99	8.6	1.53	14.9	6.89	18.2
2015	88.1	2.17	4.35	3.94	2.15	14.1	5.11	8.8	1.54	15.2	6.89	18.4
2016	89.2	2.14	4.37	3.95	2.18	14.3	5.22	8.9	1.54	15.5	6.89	18.6
2017	90.3	2.10	4.40	3.95	2.21	14.5	5.33	9.1	1.55	15.7	6.89	18.7
2018	91.4	2.08	4.44	3.95	2.25	14.7	5.43	9.2	1.56	16.0	6.89	18.9
2019	92.6	2.07	4.47	3.93	2.29	14.9	5.52	9.4	1.57	16.4	6.89	19.1
2020	93.7	2.07	4.49	3.89	2.32	15.1	5.62	9.5	1.57	16.7	6.89	19.3
2021	94.9	2.05	4.48	3.91	2.36	15.4	5.71	9.6	1.58	17.1	6.89	19.4
2022	96.2	2.04	4.48	3.96	2.40	15.6	5.81	9.8	1.59	17.4	6.89	19.6
2023	97.4	2.01	4.50	4.01	2.44	15.8	5.91	9.9	1.59	17.8	6.89	19.8
2024	98.7	2.01	4.53	4.04	2.47	16.0	6.02	10.0	1.60	18.2	6.89	19.9
2025	99.9	2.00	4.58	4.07	2.51	16.2	6.13	10.2	1.61	18.5	6.89	20.1

